Agenda Date: 09/27/06 Agenda Item VIII B



## STATE OF NEW JERSEY

Board of Public Utilities Two Gateway Center Newark, NJ 07102 www.bpu.state.nj.us

**TELECOMMUNICATIONS** 

IN THE MATTER OF THE PETITION OF WORLD-LINK )
SOLUTIONS, INC. FOR A CERTIFICATE OF PUBLIC )
CONVENIENCE AND NECESSITY TO OFFER )
RESOLD AND FACILITIES-BASED LOCAL
EXCHANGE TELECOMMUNICATIONS SERVICES )
THROUGHOUT THE STATE OF NEW JERSEY

<u>ORDER</u>

**DOCKET NO. TE06050376** 

(SERVICE LIST ATTACHED)

BY THE BOARD:

Pursuant to N.J.S.A. 48:2-1 et seq. and Section 253 of the Federal Telecommunications Act of 1996, 47 U.S.C. § 151 et seq., and by letter dated May 17, 2006, World-Link Solutions Inc. ("Petitioner" or "WLS") filed a Petition with the Board of Public Utilities ("Board") requesting authority to provide facilities-based and resold competitive local exchange telecommunications services throughout the State of New Jersey. Petitioner requests confidential treatment of the financial information in Exhibit 4 of its Petition. Pursuant to the Open Public Records Act, N.J.S.A. 47: A-1 et seq., the Petitioner has submitted its financial information under seal and has included a sworn affidavit with substantiation for confidential treatment in order to limit the availability of proprietary information.

WLS was incorporated under the laws of the State of New Jersey on April 2, 2001. Petitioner's principal offices are located at 42 Broadway, 11<sup>th</sup> Floor, Suite 1101, New York, New York 10004. Petitioner submitted copies of its Articles of Incorporation, New Jersey Certificate of Good Standing and its New Jersey Certificate of Incorporation. WLS is a subsidiary of WL Holdings ("WLH"). WLH is 100% owned by Paul H. Stamoulis, who also serves as WLS's Chief Executive Officer, President and sole Director. No other individual or entity holds an ownership or voting right in the company. The competitive exchange carrier questionnaire submitted with the Petition, indicates that Petitioner was granted a Certificate of Authority to provide long distance services by the Florida Public Service Commission and is presently seeking to expand its authority to also include local exchange services. Petitioner is also licensed to provide local and long distance services in New York and is seeking to provide these same services in the States of California, Illinois, Massachusetts and Pennsylvania.

According to the Petition, Petitioner is a full-service provider of intrastate, interstate and international telecommunications and enhanced communications services. Petitioner states that it has contracts with a number of third party providers (wholesale telecommunications carriers) for the right to sell the various telecommunications services and products they offer. WLS also states that their primary supplier of local exchange wholesale services is Broadview Networks ("Broadview"), a facilities-based reseller of incumbent local exchange carrier Verizon. Petitioner

states that it packages the local exchange services supplied by Broadview and other wholesale carriers and offers the finished services to its customers on a retail basis. The variety of services and products offered by Petitioner allows its customers to buy all the telecommunications services they need from one source, combine these services and products in a customized package, receive one bill for all services, and make one call to Petitioner if a service problem or billing issue arises. Petitioner is not currently engaged in any interconnection and commercial resale agreement negotiation with Verizon. Petitioner states that should it seek to directly interconnect with Verizon in the future, it will update the Board regarding the status of its negotiations and, upon execution of an interconnection agreement, will ensure proper filing of the agreement with the Board pursuant to applicable regulations. Petitioner proposes to provide basic local exchange telecommunications services in the zone and exchange areas throughout the State of New Jersey in which Verizon is the incumbent local exchange carrier. Petitioner states that it intends to provide service to residential and business customers, and that it will initially offer customers the following three service options:

- (1) Basic Dialtone enables customers to access the local exchange network to complete both local and long distance calls. Long distance calls are completed on the network of the customers' preferred long distance provider.
- (2) Basic Dialtone Plus Features Package provides access to local and long distance networks and also includes a package of the following class features: Caller ID, Call Waiting and 3-way Calling:
  - (a) <u>Caller ID</u> enables customers to see a caller's number previewed on a display screen before the call is answered.
  - (b) <u>Call Waiting</u> provides a tone signal to indicate to a customer already engaged in a telephone call that a second caller is attempting to dial in. This feature permits the customer to place the first call on hold, answer the second call and then alternate between both calls.
  - (c) <u>Three Way Calling</u> permits the customer to add a third party to an established connection. When the third party answers, a two-way conversation can be held before adding the original party for a three-way conference.
- (3) World-Link Total Connect combines the company's Basic Dialtone Plus Features Package with unlimited local, regional and nationwide long distance calling, anytime and anywhere in the United States.

Petitioner's toll free number for customer service is 1-800-750-8353 and its local customer service number is 1-212-444-3000. Petitioner's registered Agent's office is: Paul A. Stamoulis Esq., 221 Middle Road Hazlet, NJ 07730.

Petitioner requests a waiver of N.J.S.A. 48:3-7.8, and N.J.A.C. 14:1-4.3 which require that books and records be kept within the State of New Jersey and be maintained in accordance with the Uniform System of Accounts ("USOA"), respectively. In the interest of efficiency and to prevent undue burden, Petitioner requests permission to maintain its books and records in accordance with Generally Accepted Accounting Principles and to keep all books, records, documents and other writings incident to the conduct of Petitioner's business in the State of New Jersey at Petitioner's corporate offices located at 42 Broadway, 11<sup>th</sup> Floor, Suite 1101, New York, New York 10004. Petitioner states, upon written notice from the Board, it will provide its books and records at such time and place within New Jersey as the Board may designate and will pay any reasonable expenses for examination of the records.

Petitioner asserts that expedited approval of its Petition will provide New Jersey customers with an additional, alternative service provider at competitive rates, including an enhanced range of

telecommunications services and an increase in consumer choices. Petitioner states that the public convenience and necessity would be well-served by the granting of this petition.

In Exhibit 3 of the Petition, Petitioner indicates that it is managed by individuals with substantial technical, financial and managerial ability to provide the services for which it seeks authority.

#### DISCUSSION

On February 8, 1996, the Federal Telecommunications Act of 1996, P.L. 104-104, 110 Stat. 56, codified in scattered sections of 47 <u>U.S.C.</u> §151 <u>et seq.</u>, was signed into law, removing barriers to competition by providing that:

[n]o State or local statute or regulation, or other State or local legal requirement, may prohibit or have the effect of prohibiting the ability of any entity to provide any interstate or intrastate telecommunications service.

[47 <u>U.S.C.</u> §253(a)].

Therefore, Board approval of Petitioner's entry into the telecommunications marketplace is required, assuming Petitioner is in compliance with Board's filing requirements to provide telecommunications services in New Jersey.

In considering this Petition, the Board recognizes its obligation not to prohibit entry into intrastate telecommunications markets. 47 <u>U.S.C.</u> §253(a). The Board also considers the New Jersey State Legislature's declaration that it is the policy of the State to "provide diversity in the supply of telecommunications services" and the Legislature's findings that "competition will promote efficiency, reduce regulatory delay, and foster productivity and innovation" and "produce a wider selection of services at competitive market-based prices." <u>N.J.S.A.</u> 48:2-21.16(a)(4); <u>N.J.S.A.</u> 48:2-21.16(b)(1) and (3).

Therefore, having reviewed WLS's Petition and the information supplied in support thereof, the Board <u>FINDS</u> that the Petitioner is in compliance with the Board's filing requirements to provide telecommunications services in New Jersey. Accordingly, the Board <u>HEREBY AUTHORIZES</u> the Petitioner to provide local exchange and interexchange telecommunications services throughout New Jersey. The Board also <u>FINDS</u> that in accordance with <u>N.J.S.A.</u> 48:2-59 and 48:2-60, and <u>N.J.S.A.</u> 52:27E-61 and 52:27E-62, the Petitioner is subject to an annual assessment by both the Board and the Division of Rate Counsel, respectively.

## The Board HEREBY ORDERS that:

- 1) Pursuant to N.J.S.A. 48:2-16(2)(b) and N.J.A.C. 14:3-6.3, Petitioner shall file an annual report as of December 31 of each year, which is due on or before March 31 of the following year. Pursuant to N.J.S.A. 48:2-16.3, if Petitioner fails to file an annual report by the due date, Petitioner shall be subject to a penalty of \$5.00 for each day thereafter until such report is filed.
- 2) Pursuant to N.J.S.A. 48:2-59 and 48:2-60, Petitioner shall file a statement of gross intrastate revenues from operations form (AR3-1) as of December 31 of each year, which is due on or before June 1 the following year.

On or before February 1<sup>st</sup> of each year, the Petitioner will receive from the Division of Audits an annual report package and a statement of gross intrastate revenues from operations form for the preceding calendar year. The purpose of these documents is to report the company's financial information and gross intrastate revenues from operations as of December 31 of each year. The annual report and statement of gross intrastate revenues from operations form are due on or before March 31 and June 1 of the following year, respectively. If Petitioner does not receive these documents, it is Petitioner's responsibility to obtain them from the Board. It is also the Petitioner's responsibility to ensure timely filing of these reports.

Regarding the Petitioner's request for waivers of the Board rules, the Board FINDS that the Petitioner has demonstrated good cause why the Board should grant relief from its requirements that the Petitioner maintain its books and records under the USOA and within New Jersey. Therefore, subject to the Petitioner's continuing responsibility to provide the Board its books and records upon 48 hours notice, and in the manner requested, and to pay to the Board any reasonable expenses or charges incurred by the Board for any investigation or examination of these books and records, the Board APPROVES the Petitioner's request for the exemptions from maintaining its books and records in New Jersey and under the USOA.

DATED: 9/28/06

BOARD OF PUBLIC UTILITIES BY:

PRESIDENT

FREDERICK F. BUTLER COMMISSIONER

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JOSEPH L. FIORDALISO

'COMMISSIONER

CONNIE O. HUGHES

CHRISTINE V. BATOR

COMMISSIONER

ATTEST:

KRISTI IZZO SECRETARY I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public

Utilities

# IN THE MATTER OF THE PETITION OF WORLD-LINK SOLUTIONS, INC. FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO OFFER RESOLD AND FACILITIES-BASED LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES THROUGHOUT THE STATE OF NEW JERSEY DOCKET NO. TE06050376

# **SERVICE LIST**

Serial
No. Name and Address
No. Name and Address

#### 1 Petitioner's Contact Person:

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#### 2 Petitioner's Attorney:

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## 3 Ratepayer Advocate:

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